APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/466,438	12/17/1999	VIKTORS BERSTIS	AT9-99-725	1165

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EXAMINER
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ART UNIT	PAPER NUMBER
3627	

DATE MAILED: 11/28/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on _____ .

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-6,8-10,13-23 and 25* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-6,8-10,13-23 and 25* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

11)☐ The proposed drawing correction filed on _____ is: a)☐ approved b)☐ disapproved by the Examiner.

    If approved, corrected drawings are required in reply to this Office action.

12)☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

13)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

        1.☐ Certified copies of the priority documents have been received.

        2.☐ Certified copies of the priority documents have been received in Application No. _____ .

        3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

14)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).

    a) ☐ The translation of the foreign language provisional application has been received.

15)☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

1)☐ Notice of References Cited (PTO-892)   4)☐ Interview Summary (PTO-413) Paper No(s). _____ .

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)   5)☐ Notice of Informal Patent Application (PTO-152)

3)☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ .   6)☐ Other: .

DETAILED ACTION

This action is in response to the Appeal Brief submitted on August 28, 2003.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in
> section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are
> such that the subject matter as a whole would have been obvious at the time the invention was made to a person
> having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the
> manner in which the invention was made.

Claims 1-4, 6, 8-9, 13-17, 18-21, 23 & 25 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Findley in view of Kanevsky et al.

Findley teaches a system for selectively blocking a current remote purchase request based

on information gained from at least a previous remote purchase request. In particular the device

of Findley includes a first data input subsystem capable of receiving purchase request

information set including a credit card number, merchandise descriptions, and origin. (prompting

user with options for selecting goods and/or services during a current transaction). A memory

subsystem receives the information set from previous and current purchase requests. (storing

selections of goods and/or services made by an authorized user during a previous transaction). A

logic subsystem compares the purchase request record of the current purchase request with the

purchase request record of the previous purchase request (comparing the options for goods

and/or services selected by the user with the user's pre-stored selections of goods and/or

services) and automatically blocks the current remote purchase if the comparison meets any one

of a predetermined set of criteria (reference Abstract).

Examiner notes that in order for memory sub-system of Findley receive an information

set with previous remote purchase information, the system must store selections by user of goods

and/or services. Therefore Examiner asserts generating a user profile of selections of goods

and/or services made by the user during past transactions is inherent and necessarily present to

the system of Findley, because without such a profile the system would be unable to retrieve that

information.

Findley teaches computing "history factors" for credit card numbers so that an algorithm can take into account the legitimate purchase history of the credit card. Findley goes on to teach in a preferred embodiment, that a purchase request from a credit card number that has been used to make legitimate purchases from a merchant in the past is less likely to be fraudulent than a card being encountered for the first time (column 3; lines 50-57). In other words, if the current merchant is inconsistent with the user's pre-stored profile of past merchants the system blocks the transaction.

Examiner notes that the previous teaching is important for two reasons. First is illustrates that the historical data can be and is taken from a plurality of facilities/merchants (Claims 3 and 20). Secondly, it illustrates that the system and method of Findley are designed to encourage and protect repetitive purchases.

Findley goes on to teach in another embodiment that an inquiry is made into whether or not an item in the same merchant-defined merchandise category had been purchased within the previous set time period (column 4; lines 49-53). Examiner notes that this teaching by Findley is also important for two reasons. First, it illustrates that while the system of Findley starts by grouping items according to merchandise category, it also must make a comparison on an item-by-item level. This concept is supported by Findley in the example of a ring of thieves attempting to steal handbags of a ***particular make*** (emphasis added). In order to determine the particular make, the system must make the comparison on an item-by-item basis and not just based on the merchandise category (i.e. handbag or accessory).

Secondly this teaching illustrates that the system of Findley must collect and save item specific information about a users purchase. Examiner notes that without item specific information the system of Findley would be unable to perform the inquiry described above. As such, collecting and storing a profile of selections of goods and services is inherent and necessarily present to the teachings of Findley.

Examiner recognizes that specific embodiment of the item-by-item comparison of Findley relates to quantity. In particular, the system compares how many of a specific item have been purchased in the past, thus blocking the purchase based on too much consistency, rather than any inconsistency. However, as pointed out by the examiner, Findley also teaches an embodiment in which the system searches for inconsistencies associated with merchants (i.e.

comparing the current merchant with a pre-stored profile of past merchants and blocking the transaction if the current merchant is inconsistent with the pre-stored profile).

Therefore, Examiner notes that neither embodiment limits the scope of the system of Findley but rather serve as examples of the type of conditions within the predetermined criteria used by the logic subsystem of Findley. As such, Examiner takes Official Notice that numerous conditions are old and well known as criteria for making determinations. These include but are not limited to the two embodiments of Findley (i.e. current merchant versus past merchant, and quantity of items purchased) as well as a comparison between a current item purchased versus past items purchased.

Examiner asserts that it would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the predetermined set of criteria within the logic subsystem of Findley to include a condition that the current selection of goods and/or services is consistent with the pre-stored profile of goods/and or services in order to provide the users with an additional layer of security.

The system of Findley, as described above does not teach a system that requires a user to answer, correctly, multiple questions before allowing access. Kanevsky et al. teaches a system of questioning a user to provide secure access control. In particular, Kanevsky et al. teaches asking multiple questions before allowing access to a user (column 3; lines 26-30). It would have been obvious to anyone skilled in the art at the time of the invention to modify the logic subsystem of Findley to include a verification system to ask a user questions, as taught by Kanevsky before blocking a transaction, in order to verify that the person making the transaction is in fact not the owner of the credit card.

Claims 5, 10 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Findley in view of Kanevsky et al. in further view of Penzias. The system of Findley in view of Kanevsky et al., as described above does not teach a system that stores selections made with a plurality of credit or debit cards. Penzias teaches a system of providing an individual protection for remote purchases; in particular the system applies to multiple cards with different account

numbers (Figure 5, shows the account table which holds information for a plurality of credit cards). Since most people today have more than one credit card, when a wallet is stolen or misplaced a thief has access to all of a victims credit and debit cards.

It would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the memory subsystem of Findley to receive information sets on previous and current purchases made by a user from a plurality of credit cards, as taught by Penzias in order to provide protection and security for all of a customer's credit and debit cards.

Response to Arguments

Applicant asserts that it is antithetical to suggest that Findley be applied to an application wherein highly consistent purchasing behavior is the norm. Examiner disagrees. As stated in the rejection of this office action, Findley teaches a purchase request from a card that has been used to make legitimate purchases from the merchant in the past is less likely to be fraudulent thê a purchase from a card encountered for the first time (column 3; lines 53-57). In other words, the system checks to verify whether a user has made a purchase from a particular merchant in the past (i.e. applies to an application wherein highly consistent purchasing behavior is the norm).

Applicant asserts that Findley analyzes an entirely different set of criteria. Examiner argues that while the teachings of Findley do cover broader and more diverse criteria, they are not entirely different. In fact, the criteria of Applicant is a mere subset of the criteria of Findley and thus it would be obvious to modify Findley to meet the limitation set forth by Applicant's claims (reference rejection above).

Applicant asserts that Findley makes no provision for analyzing a range of goods and/or services selected during a current purchase with those made during previous purchases. Examiner disagrees. The entire context of Findley, rooted in the equation in column 4, makes a provision of a range. In addition, Findley teaches placing limits (maximum and minimum) on the purchasing criteria (Figure 2B), clearly speaking to analyzing a range of criteria.

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL.** See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.
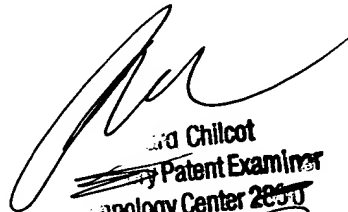
Any inquiry concerning this communication or earlier communications from the examiner should be directed to James A. Kramer whose telephone number is (703) 305-5241. The examiner can normally be reached on Monday - Friday (8AM - 5PM).

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on (703) 305-4716. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

James A. Kramer
Examiner
Art Unit 3627

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